

October 17, 2008

Maine Milk Commission Special Meeting Minutes
Deering Building, Room 233
Augusta, Maine 04333

Notices for the October 17, 2008 meeting were distributed to Commission members, intervenors and other interested parties September 19, 23 and 24, 2008 and sent to the Secretary of State's Office for posting on October 8, 2008.

Commission Present: Colon Durrell, Richard Cook, John Joseph Jr. and Mark Hedrich, *ex-officio* and Chair Michael Wiers

Commission Absent: None

Department Officials: None

Staff Present: Tim Drake, Program Coordinator, Audrey Shorty, Resource Administrator and Carol Gauthier, Office Associate

Legal Counsel: Amy Mills

Intervenors Present: John Blake, H.P. Hood, Inc., Thomas Brigham, Oakhurst Dairy, and Julie-Marie Bickford Executive Director, Maine Dairy Industry Association (MDIA).

Others Present: Dale Cole and Fred Hardy from MDIA; Galen Larrabee and Chuck Farrand dairy farmers; Lisa Bragg from the University of Maine, and Ruby Hardy public attendee.

Chair Michael Wiers called the meeting to order at 1:40 pm.

Agenda Item 1: Minutes: Colon Durrell made a motion to accept the minutes of the September 19 & 23, 2008 meeting. Richard Cook seconded. Motion passed 3-0.

Agenda Item 2: Amy Mills, Assistant Attorney General: No report.

Agenda Item 3: Minimum Prices:

Tim Drake reported that there is a prevailing premium of \$1.10/cwt on Class I for November 2008 reported by Dairy Marketing Services (DMS) and Agri-Mark Cooperative. In addition to this premium, both Agri-Mark and DMS reported that an additional \$0.43/cwt for milk that comes from producers who do not treat their cows with the rBST hormone will be in affect. Federal Order One Class I price for October is \$20.58. He explained that a schedule was prepared using this information plus a producer cost of production adjustment (COPA) of \$1.35/cwt. He stated that this price schedule was for information purposes and that the Commission was not bound to it, and should make their pricing determination after hearing testimony.

Julie-Marie Bickford of MDIA testified that the same issues that faced producers in previous months were still applicable.

Dale Cole agreed.

Richard Cook moved to adopt the price schedule #11-08 with the producer margin at \$1.35. Colon Durrell seconded this motion.

Motion passed 3-0.

Agenda Item 4: Maine Monthly Price Survey: The Commission reviewed the Maine price survey for October 2008 which included prices for Augusta, Bangor/Brewer, Auburn and the IAMCA price survey for September.

Agenda Item 5: Next Scheduled Meetings:

- November 21, 2008 Friday 1:30 p.m.
Room 233, Department of Agriculture, Food & Rural Resources, Augusta ME
- December 19, 2008, Friday 1:30 p.m.
Room 233, Department of Agriculture, Food & Rural Resources, Augusta ME
- January 13, 2009, Tuesday 10:30 a.m.
Room 233, Department of Agriculture, Food & Rural Resources, Augusta ME
- January 23, 2009, Friday 1:30 p.m.
Room 233, Department of Agriculture, Food & Rural Resources, Augusta ME
- February 20, 2009, Friday 1:30 p.m.
Room 233, Department of Agriculture, Food & Rural Resources, Augusta ME

Agenda Item 6: Other:

1. **Milk Commission Budget:** The Commission reviewed the latest budget summary.
2. **Cost of Production Study:** Lisa Bragg offered an overview of where she is in this study and provided a handout that included some preliminary information. She also said that she was working on milk hauling costs and they were proving to be difficult. Lisa said that she was working with MDIA and would be reaching out to Agri-Mark and DMS to get their input on hauling costs.
3. **Milk Promotions:** Tim Drake outlined for the Commission one milk promotion being offered by Kellogg's and one offered by Kraft Foods, both promotion offer a coupon for non brand specific milk and will be paid by Kellogg's and Kraft Foods. Both promotions had been screened by legal counsel and approved by staff. For informational purposes Tim informed the Commission of a sweepstakes being offered by Oakhurst, this requires no purchase and is not a milk promotion.
4. **Dealer Cost and Accounting System:** Nothing to report.

Julie-Marie Bickford asked the Commission for a letter of support for a grant proposal the MDIA is working on. This proposal is to fund a study to identify various issues within the Agricultural

community, starting with Dairy. She offered that this study would weave together with the current ongoing Cost of Production study by Lisa Bragg. After some discussion, the Commission felt it would be a conflict for it to write a letter of support for this effort.

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Agenda Item 7: Executive Session: The Commission did not go into Executive Session.

Adjourned: Recessed at 2:25 pm October 17

Tim Drake, Maine Milk Commission